1	2	3	4
11.	MECON Limited	1.75	2.93
12.	National Mineral Development Corporation	152.11	250.35 (Prov.)
	TOTAL:	2344.07	2810.18

*A Government managed company.

Leasing of houses by Bhilai Steel Plant

890. SHRI JHUMUK LAL BHENDIA:

SHRI C. RAMACHANDRAIAH:

Will the Minister of STEEL be pleased to state:

(a) whether the Bhilai Steel Plant Administration has floated a scheme of a long-term leasing of the houses constructed by it for employees and retired employees of BSP;

(b) if so, the details thereof indicating, *inter-alia,* the number of houses involved;

(c) whether State Government of Chhattisgarh has raised objection to the aforesaid scheme of BSP and termed it as illegal;

(d) if so, the ground on which the State Government has termed the deal as illegal; and

(e) the measures taken by BSP to resolve the issue and the results thereof? '

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) Yes, Sir.

(b) Bhilai Steel Plant (BSP) has offered to lease out around 9000 houses to its employees, who have served the company at least for 5 years, ex-employees, who have separated not earlier than 15 years from the date of notification of the scheme and spouses of deceased employees.

(c) and (d) The State Government of Chhattisgarh has raised objection to the scheme of BSP, as the State Government feels it violates Section 44-A of the Land Acquisition Act.

(e) BSP, with a view to resolve the issue, has taken up the matter with the State Government of Chhattisgarh.

Losses Incurred by SAIL

891. SHRI GHULAM NABI AZAD:

SHRI VIJAY J. DARDA:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that, of late, the annual losses incurred by the Steel Authority of India have been mounting over the years;

(b) if so, the reasons attributed to the continued losses being incurred by Steel Authority of India;

(c) whether Government have formulated any scheme to restructure the steel industry so as to make it a profitable one; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) Steel Authority of India Limited (SAIL) has reduced its losses from Rs. 1720 crores in 1999-2000 to Rs. 720 (Prov.) in 2000-01 representing a reduction of about 58%.

(b) The reasons for SAIL's continuing losses are—

- Stagnation in steel consumption consequent to general slow down in the economy;
- Low sales realization resulting from excess supply in the market;
- Sluggish exports due to anti-dumping action abroad;
- High capital investment in the modernization projects leading to increased expenditures on interest and depreciation; and
- High manpower costs.

(c) and (d) While Government have not formulated any scheme to restructure the steel industry, Government have approved in February, 2000 financial and business restructuring package for SAIL